

PLANNING COMMISSION AGENDA REPORT

MEETING DATE: DECEMBER 11, 2006

ITEM NIIMRED:

SUBJECT: PLANNING APPLICATION PA-06-49 AND PARCEL MAP PM-06-242

277 OGLE STREET, UNITS A THROUGH C

DATE:

NOVEMBER 30, 2006

FOR FURTHER INFORMATION CONTACT: WENDY SHIH, ASSOCIATE PLANNER (714)754-5136

DESCRIPTION

The applicant proposes to convert an existing two-story triplex into a common interest development (condominiums).

APPLICANT

Barry Saywitz of The Saywitz Company is the property owner and project applicant.

RECOMMENDATION

Approve by adoption of Planning Commission resolution, subject to conditions.

WENDY/SHIH

Associate Planner

MICHAEL ROBINSON, AICP

Asst. Development Services Director

PLANNING APPLICATION SUMMARY

	<u> </u>	, <u></u> ,		<u></u>
Location:	277 Ogle Street	Appli	cation:	PA-06-49/PM-06-242
Request:	Convert an existing two (condominiums).	o-story tripl	ex to a comm	on interest development
Zone:	R3	North:	C1-S – comm	ercial shopping center
General Plan:	High Density Residential	South:	Surrounding properties	
Lot Dimensions:	50 ft. x 120 ft.	East:	are R3 zoned and	
Lot Area:	6,000 sq.ft.	West:	contain reside	nces.
Existing Developm	nent: Two-story triplex	with a 3-car	garage and two	open spaces.
	DEVELOPMENT :	STANDAR	D COMPARIS	SON
Development Standard		Code I	Code Requirement Proposed/Pro	
Leteizer				

Lot size:		
Lot width	100 ft.	50 ft. ¹
Lot area	12,000 sq.ft.	6,250 sq.ft. ¹
Density: Zone/GP	1 du/ 2,178 sq.ft.	1 du/ 2,083 sq.ft.1
Building coverage:		
Buildings	NA	41% (2,558 sq.ft.)
Paving	NA	8% (521 sq.ft.)
Open Space	40% (2,500 sq.ft.)	51% (3,171 sq.ft.)
TOTAL	100%	100%
Min. private open space dimension	10 ft. min. dimension	16 ft. min. dimension
Building Height:	2-stories/27 ft.	2-stories/ 20 ft.
Setbacks:		
Front	20 ft.	16 ft. ¹
Side (left/right)	5 ft./5 ft.	16 ft./8 ft.
Rear (alley)	5 ft.	5 ft.
Parking:		
Covered	3	3
Open	5	2
Guest	2	0
TOTAL	10	51

Status Exempt, Class 1
ction Planning Commission
Existing, nonconforming. CEQA Status Final Action

BACKGROUND

The subject property is located mid-block between Westminster Avenue and Santa Ana Avenue, on the south side of Ogle Street. The lot contains a triplex with a 3-car garage and two open parking spaces. The property owner proposes to convert the three apartment units into condominiums.

Pursuant to Code Section 13-42(g), Planning Commission review is required when occupied apartments are proposed to be converted to a common interest development. The review is required to confirm compliance with applicable development standards and to consider potential impacts on the rental housing supply and displacement of tenants if the City's vacancy rate is below 3%.

The owner is also processing a parcel map to facilitate the conversion. The proposed map will subdivide the airspace to allow the individual units to be sold independent of one another.

<u>ANALYSIS</u>

Common interest developments must comply with additional development standards above those applicable to apartments. These additional development standards include provision of a 10-foot by 10-foot private open space for each unit, having a break in the front plane of the building of at least 4 feet every 2 dwelling units, and provision of on-site lighting. The existing development already complies with these requirements, however, staff is recommending a condition of approval that architectural features such as window trim, shutters, siding, stone base, belly band, etc. be provided to break up the elevations and to provide additional architectural interest.

The existing development is situated on a lot with nonconforming lot width and lot area. The triplex was constructed in 1960 and is legal, nonconforming because the density, front building setback, and number of parking spaces do not comply with current Zoning Code requirements – whether apartments or condominiums. The proposed change in the type of ownership will not increase the project's degree of nonconformity.

There is concern that conversions may diminish the supply of rental housing and displace residents unreasonably, particularly senior citizens, very low-, low- and moderate-income families, and families with school-age children. Consequently, City Council established a "critical vacancy rate" of 3% as the threshold for discouraging conversion of apartments to common interest developments. When the citywide rental vacancy rate is 3% or less, Planning Commission may deny any requested conversions. The 2000 census data indicates the City's rental vacancy rate is 2.8%.

The property contains three 2-bedroom units. The tenants are currently paying \$1,425 to \$1,650 a month in rent for the units. The current affordable rental rates for 2-bedroom units are as follows:

	Very-Low Income	Low-Income	Moderate Income
2-Bedroom Units	\$881 a month	\$1,057 a month	\$1,300 a month

Affordable Rental Rate Based Upon Fair Market Rent Established by US Dept. of Housing and Urban Development (HUD) for 2006 and 2007.

Based on this information, the monthly rents for the existing units exceed the affordable rental rates for very-low, low- and moderate income households. Therefore, the conversion of the units would not result in a loss of affordable rental units. Since none of the tenants have occupied the units for more than two years and there are no senior citizens or school age children residing on the property, conversion of the units would not displace residents unreasonably. However, staff recommends the owner be required to offer right of first refusal to the tenants, with terms more favorable than those offered to the general public. As conditioned, if the tenants confirm that they are not interested in purchasing the units, the property owner will be required to pay the registration fee for an apartment referral service.

It is staff's opinion that conversion of the triplex into condominiums will not substantially diminish the supply of rental housing and displace residents unreasonably since 60% of the City's housing units are renter occupied and General Plan Goal LU-1A.4 seeks to "improve the balance between rental and ownership housing opportunities".

As required by Code, a property inspection report as well as a termite report was submitted, and a City property inspection report was prepared. Based on those reports, Planning staff's inspection of the site, and to allow a general upgrading of the site, staff recommends the following improvements:

- 1. Complete all exterior and interior improvements listed in the letter provided by Stern Architects dated August 14, 2006.
- 2. Provide architectural articulation on all building elevations such as window trim, shutters, siding, stone base, belly band, etc. This condition shall be completed under the direction of the Planning staff. In addition, the applicant shall provide upgraded landscaping where appropriate, subject to Planning Division approval.
- 3. Treat termite infestations as recommended by a termite control company.
- 4. Building, plumbing, and electrical corrections or upgrades as noted in the City property inspection report.

If the Planning Commission approves the conversion, the parcel map will facilitate the ownership housing project. The map is in compliance with the requirements of the Subdivision Map Act and Chapter XI (Subdivision) of the Zoning Code. A condition is included requiring a provision in the CC&Rs for the use of garages for parking purposes only.

GENERAL PLAN CONFORMITY

Approval of the conversion will satisfy General Plan Goal LU-1A.4 that encourages additional home ownership opportunities in the City. The proposed conversion meets the General Plan's Land Use and Housing Element goals and objectives for additional

ownership housing and will improve the balance between rental and ownership housing opportunities within the City. The units, whether utilized as apartments or condominiums, are consistent with the High Density General Plan land use designation because they are existing legal nonconforming.

<u>ALTERNATIVES</u>

The units can continue to be rented without the site upgrades, if the request is denied.

ENVIRONMENTAL DETERMINATION

The project is exempt from the provisions of the California Environmental Quality Act under Sections 15301 for Existing Facilities.

CONCLUSION

Conversion of the apartments will result in a general upgrading of the property, as well as providing additional home ownership opportunities and balancing the ratio of rental to ownership housing. Additionally, current tenants will be offered right of first refusal to purchase, or the property owner will pay registration fees for an apartment search service to help them find a new apartment if they decide not to purchase. The parcel map is also in compliance with applicable State and City requirements.

Attachments: Draft Planning Commission Resolution

Exhibit "A" - Draft Findings

Exhibit "B" - Draft Conditions of Approval

Applicant's Project Description and Justification

Inspection Reports

Location Map

Plans

Tenant Notices

cc: Deputy City Manager - Dev. Svs. Director

Sr. Deputy City Attorney

City Engineer

Fire Protection Analyst

Staff (4) File (2)

Barry Saywitz 4740 Von Karman Ave., Ste. 100 Newport Beach, CA 92660

Occupant 277 Ogle St., Unit A Costa Mesa, CA 92627 Occupant 277 Ogle St., Unit B Costa Mesa, CA 92627

Occupant 277 Ogle St., Unit C Costa Mesa, CA 92627

File: 121106PA0649PM06242	Date: 112806	Time: 11:30 a.m.

RESOLUTION NO. PC-06-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING PLANNING APPLICATION PA-06-49 AND PARCEL MAP PM-06-242

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, an application was filed by property owner Barry Saywitz, with respect to the real property located at 277 Ogle Street, Units A through C, requesting approval of the conversion of a triplex to a common interest development (condominiums), in the R3 zone; and

WHEREAS, a duly noticed public hearing was held by the Planning Commission on December 11, 2006.

BE IT RESOLVED that, based on the evidence in the record and the findings contained in Exhibit "A", and subject to the conditions contained in Exhibit "B", the Planning Commission hereby **APPROVES** Planning Application PA-06-49 and Parcel Map PM-06-242 with respect to the property described above.

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the Staff Report for Planning Application PA-06-49 and Parcel Map PM-06-242 and upon applicant's compliance with each and all of the conditions contained in Exhibit "B". Any approval granted by this resolution shall be subject to review, modification or revocation if there is a material change that occurs in the operation, or if the applicant fails to comply with any of the conditions of approval.

PASSED AND ADOPTED this 11th day of December 2006.

Bill Perkins, Chair Costa Mesa Planning Commission STATE OF CALIFORNIA)
)ss
COUNTY OF ORANGE)

I, R. Michael Robinson, secretary to the Planning Commission of the City of Costa Mesa, do hereby certify that the foregoing Resolution was passed and adopted at a meeting of the City of Costa Mesa Planning Commission held on December 11, 2006, by the following votes:

AYES: COMMISSIONERS

NOES: COMMISSIONERS

ABSENT: COMMISSIONERS

ABSTAIN: COMMISSIONERS

Secretary, Costa Mesa Planning Commission

EXHIBIT "A"

FINDINGS

- A. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(10) in that, although the critical vacancy rate is less than the rate established in Section 13-42(c) (Residential Common Interest Development Conversions), the condominium conversion will not result in the displacement of long-term residents, senior citizens, or school age children because there are no senior citizens or school age children residing in the triplex and the current tenants have not occupied the units for more than two years. Conversion of the apartments will provide additional home ownership opportunities and improve the ratio of rental to ownership housing within the City. To ensure that existing tenants are not displaced unreasonably, a condition is included to require that current tenants be offered right of first refusal to purchase, or the property owner pay registration fees for an apartment search service to help them find a new apartment if they decide not to purchase.
- B. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(e) in that:
 - a. The project is compatible and harmonious with existing development and uses in the general neighborhood.
 - b. Safety and compatibility of the design of buildings, parking areas, landscaping, luminaries and other site features, which includes functional aspect of the site development such as automobile and pedestrian circulation, have been considered.
 - c. The project is consistent with the General Plan's Land Use and Housing Element goals and objectives for additional ownership housing and to improve the balance between rental and ownership housing opportunities within the City.
 - d. The planning application is for a project-specific case and is not to be construed to be setting a precedent for future development.
 - e. The cumulative effect of all the planning applications has been considered.
- C. The proposed single lot airspace subdivision is consistent with the City's General Plan and Zoning Ordinances.
- D. Approval of the subdivision will allow additional home ownership opportunities without impacting affordable rental housing. This is consistent with the objectives, policies, general land use, and programs specified in the General Plan.
- E. The subject property is physically suitable to accommodate PM-06-242 in terms of type, design and density of development, and will not result in substantial environmental damage nor public health problems, based on compliance with the City's Zoning Code and General Plan.
- F. The design of the subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision, as required by Government Code Section 66473.1.

- G. The subdivision and development of the property will not unreasonably interfere with the free and complete exercise of the public entry and/or public utility rights-of-way and/or easements within the tract.
- H. The discharge of sewage from this subdivision into the public sewer system will not violate the requirements of the California Regional Water Quality Control Board pursuant to Division 7 (commencing with Section 13000 of the Water Code).
- I. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the City environmental procedures, and has been found to be exempt from CEQA under Section 15301.
- J. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

EXHIBIT "B"

CONDITIONS OF APPROVAL

- Plng. 1. The following improvements shall be made:
 - a. Complete all exterior and interior improvements listed in the letter provided by Stern Architects dated August 14, 2006.
 - b. Provide architectural articulation on all building elevations such as window trim, shutters, siding, stone base, belly band, etc. This condition shall be completed under the direction of the Planning staff. In addition, the applicant shall provide upgraded landscaping where appropriate, subject to Planning Division approval.
 - c. Treat termite infestations as recommended by a termite control company.
 - 2. Provide screening for the trash bins under the direction of the Planning staff.
 - 3. Street addresses shall be displayed on the complex identification sign or, if there is no complex identification sign, on the wall in a manner visible to the public street. Street address numerals shall be a minimum 6" in height with not less than ½" stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be 4" in height with not less than ¼" stroke and shall contrast sharply with the background. Address numerals shall also be displayed on the alley garage.
 - 4. Applicant shall contact the Building Safety Division, prior to the release of utilities for any units, to provide proof that the Uniform Building Code requirements for condominiums have been satisfied, to obtain a change of occupancy permit, and to complete any additional paperwork created through this conversion.
 - 5. The conditions of approval and code requirements of Planning Application PA-06-49/PM-06-242 shall be blueprinted on the face of the site plan.
 - 6. The applicant shall offer the existing tenants right of first refusal to purchase the units with terms more favorable than those offered to the general public. If the existing tenants confirm in writing that they are not interested in purchasing the units, the property owner will pay the registration fee for an apartment referral service. The applicant shall provide the Planning Division staff a copy of the written offer and the tenants' written response prior to final inspections. The applicant shall also provide evidence of the payment of the registration fee for an apartment referral service for tenants not accepting the purchase offer.
 - 7. The applicant shall contact the Planning Division to arrange for an inspection of the site and show proof of compliance with all applicable conditions of approval and code requirements <u>prior</u> to recordation of the final map. This condition shall be completed under the direction of the Planning Staff.

- The CC&R's shall require that garage spaces be used for parking purposes only. Any changes made to this provision require prior review and approval by the City of Costa Mesa.
- The CC&Rs shall disclose that the available parking on-site is 5 spaces short of the current condominium parking standards because of its legal nonconforming status.
- Bldg. 10. The following Building Division corrections shall be made:
 - a. Smoke alarms required at locations referenced by the CBC.
 - b. Install draft stops in attic areas, separating dwelling units.
 - c. Maintain 1-hour separation between garages and dwelling units.
 - d. Provide complying handrails at stairs.
 - e. Verify exterior laundry closets meet all applicable codes.
 - f. Install water heaters per CPC requirements.
 - g. Verify end of line cleanouts.
 - h. Provide GFCI protection for receptacles at kitchens, bathrooms, garages, and outdoors.
 - i. Remove illegal wiring in garages and at exterior eave of garages.
 - j. Provide over current protection for garage sub panel.
 - k. Provide required access to FAU receptacle.
 - I. Install forced air units per manufacturer's installation instructions and the CMC.



4740 Von Karman • Suite 100 • Newport Beach, CA 92660 • 949•930•7500 • Fax 949•930•7555

MEMORANDUM

TO:

City of Costa Mesa - Planning Department

FROM:

Barry Saywitz

DATE:

July 10, 2006

RE:

Condo Conversion of 277 Ogle Street, Costa Mesa, California

Dear Planning Department:

This will serve as a formal description of the project and reason for application. The proposed project would convert the existing triplex to three separate condominium units. As part of the conversion process, we would perform a complete makeover and remodel aesthetically to the property. This remodel would include the installation of travertine floors, granite countertops, all new stainless steel appliances, crown molding and new baseboard, new hardware, doors and finishes throughout. The proposed conversion would be to utilize the existing floor plan and configuration of the property, its current parking and landscaping. Aesthetic upgrades will be performed to the outdoor patios area as well as the interior of the property.

We believe that the conversion and upgrades will provide for significant improvements and betterment to the property as well as the neighborhood. We believe that the property complies with all of the requirements for condo conversion.

Should you have any questions with regards to the project, please feel free to contact me directly at (949) 930-7502.

Sincerely.

Barry\Saywitz President STERN

ARCHITECTS

August 14, 2006 (Revised)

Planning Department City of Costa Mesa 77 Fair Drive Costa Mesa, CA 92628 RECEIVED
CITY OF COSTA MESA

NIIG 2 3 2000

Control of the Contro

Subject: Condominium Conversion at 277 Ogle

Planning Department:

As required as part of the Condominium Conversion process, we are providing you with a brief description of the subject property.

Built in 1960, this existing triplex is comprised of three 2, bedroom 1.5 bath units. The property is currently being used as a rental/income property. The front unit (Unit A) is a single-story cottage-style unit with fireplace. The B and C units are mirror images, which are 2 bedroom, 1.5 bath two-story units. All units have existing attached large patio/yard areas, and full sized washer/dryer hookups. The existing parking is denoted on our plans, and consists of a two-car garage, and attached additional one-car garage. There is two additional surface parking stalls adjacent to the garages. In reviewing the project, the building structure appears to be structurally sound.

The owner's intentions, as part of the condo conversion process, would be to aesthetically remodel the interior and exterior of the property. This remodel would include landscaping upgrades, exterior slate and window treatments on the front and sides of the property, new front doors, all new windows and sliders, and upgrades to the existing fencing. Additionally, it would include new exterior lighting and new automatic garage doors. These units have exterior laundry closets which may have been installed without permits prior to the current owners purchase. It is our intent to bring this up to code. The patio/yard areas would be completely redone with upgraded stone paving or slate treatment. The landscaping in the yard areas would be upgraded as well. The current sprinkler system is on automatic timers and would be checked and upgraded if necessary. The roof was installed in 1995 and has approx. 10 years left of use.

As for the interiors of the units, new travertine flooring, granite countertops and new kitchen cabinetry would all be installed. All appliances would be replaced with new stainless steel, top of the line appliances, including refrigerator, full-sized washer/dryer, stove and microwave. The units would be retrofitted with new baseboard, crown molding and casing for all of the windows. Ceiling fans would be installed in all bedrooms and mirrored wardrobes throughout. All of the hardware, toilets, and kitchen and bathroom cabinetries would be completely redone as well.

STERN

ARCHITECTS



Any building code upgrades would be addressed and satisfied as part of the renovation. No changes to the existing floor plan would be required; however, modifications to the demising walls will be completed to meet the STC 50 sound requirements. Any termite issues or dry rot would also be addressed as part of the renovation. The plumbing system is in good condition and replacement of any plumbing fixtures will warrant the upgrade of new values and piping as required. A new water heater is anticipated. The electrical service is in good condition and modifications to the bedrooms, bathroom and kitchen will bring the outlets up to code. The wall heaters will be replaced with new units as part of the conversion.

If any additional information is required, please call.

Sincerely.

STERN ARCHITECTS, INC.

Robert Stern, AIA President

CC:

Barry Saywitz/Property Owner The Saywitz Company

CITY OF COSTA MESA DEVELOPMENT SERVICES BUILDING SAFETY DIVISION 77 FAIR DRIVE, P.O. BOX 1200 COSTA MESA, CALIFORNIA 92628-1200 714-754-5629

DATE: 03-21-06

PROJECT: Residential Common Interest Development Conversion B06-00186

ADDRESS: 277 Ogle CITY: COSTA MESA

Per sec.13-42 (f), (2) City of Costa Mesa zoning code. A property review inspection was conducted. The following items were noted. There are 3 units, comments generally apply to each unit.

BUILDING:

- 1) Smoke alarms required at locations referenced by the California Building Code.
- 2) Install draft stops in attic areas, separating dwelling units.
- 3) Maintain 1-hour separation between garages and dwelling units. (Verify, no access to garages).
- 4) Provide complying handrails and guardrails at stairs.
- 5) Verify exterior laundry meets building code and planning division requirements.

PLUMBING:

- 1) Install water heaters per California Plumbing Code Requirements.
- 2) Verify exterior laundry meets plumbing code requirements.
- 3) Verify end of line cleanouts.

ELECTRICAL:

- 1) Provide GFCI protection for receptacles at kitchens, bathrooms, garages, and outdoors.
- 2) Remove illegal wiring methods in garages, and at exterior eave of garage.
- 3) Provide overcurrent protection for garage sub panel.
- 4) Provide required access to FAU receptacle.

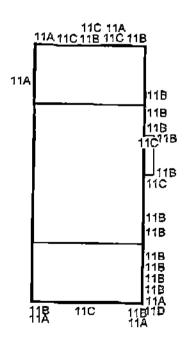
5) Verify exterior aundry meets CEC requirements.

MECHANICAL:

- 1) Install forced air units per manufacture's installation instructions and the CMC.
- 2) Verify exterior laundry meets CMC requirements.

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

277 Ogle St,	Costa Mesa,	CA 92627	Zip	Date of Inspection 07/20/2006	Number of Pages
	MASTER				Report# W28319
P.O. Box 545, Bu	HAN≎e & HEPAIF Jens Park, CA 906	21			Lic. Registration # PR 2015
(714) 680-6777 •	• (562) 926-1336 •	Fax (714) 680-6779			Escrow #
Ordered by: Saywitz 277 Ogle St Costa Mesa, CA 9	2627	Property Owner and/or Party of Interest: Saywitz 277 Ogle St Costa Mesa, CA 92627	Say Bar 474	Sent to: /witz Co. Ty Saywitz 10 Von Karman wport Beach, CA (32660
	LIMITED R	EPORT SUPPLEMENTAL REPORT	REIN	SPECTION REPORT	<u> </u>
General Description: Two story wood fra	amed stucco triple	ex.	Inspect	ion Tag Posted: No Ap Aveils	
			Other 7	ags Posted:	
An Inspection has been ma steps, detached decks and	ade of the structure(s) any other structures	shown on the diagram in accordance with the St not on the diagram were not inspected	urctural Pest Co	ontrol Act. Detached p	orches, detached
Subterranean Termite	es 🔲 Drywao		Other Findin	gs Further	Inspection



State License No. FR 31640

Signature

Inspected by: Manuel Barahona You are entitled to obtain copies of all reports and completion notices on this property reported to the Structural Pest Control Bland during the preceding two years. To obtain copies contact: Structural Pest Control Bland, 1418 Howe Avenue, Suite 18, Sacramento, California, 95825-3204. NOTE; Questions or problems concerning the above raport should be directed to the manager of the company. Unreadived questions or problems with services performed may be

directed to the Structural Pest Control Board at (915) 561-8708, (800) 737-8188 or www.pestboard.ca.ogy

SECOND PAGE OF STANDARD INSPECTION REPORT OF THE PROPERTY LOCATED AT:

Address 277 Ogle St, Costa Mesa, CA 92627

07/20/2006

W28319

Date

Report #

PLEASE READ: IMPORTANT INFORMATION CONCERNING THE TERMS OF THIS INSPECTION

Certain areas are recognized by the industry as inaccessible and/or for other reasons not inspected. These include but are not limited to: inaccessible and/or, insulated attics or portions thereof, attics with less than 18" clear crawl space, the interior of hollow walls; spaces between a floor or porch deck end the ceiling below; areas where there is no access without defacing or tearing out lumber, masonry or finished work making inspection impractical, areas or timbers around eaves that would require use of an extension ladder and eves covered by roofing materials.

Slab floor construction has become more prevalent in recent years. Floor coverings may conceal crecks in the slab that will allow infestations to enter undetected. Slab construction prevents inspection and/or detection of Infestations underneath them. Important Note Regarding Subterranean Termites: Subterranean termites that appear after our original inspection are not under any guarantee by this company. Subterranean termites sometimes live in the soil under concrete slabs and can often go undetected for months or years. These termites can not be detected during our visual inspections. There will be a fee for treating any newly detected infestation. Infestations in the wall may be concealed by plaster, drywall or wall paper so that a diffigent inspection may not uncover the true condition. These areas are not practical to inspect because of inaccessibility and/or damage to the wall structure and therefore are not under warranty.

The above areas were not inspected unless described in this report. We recommend further inspection if there is any question about the above noted areas. Re: Structural Pest Control Act, Article 6, section 8516 (b), paragraph 1990 (l). Amended effective March 1, 1974. Stall showers, if any, are water tested in compliance with Section 1991 (12) of the Structural Pest Control Act. The absence or presence of leaks through sub-floor, adjacent fibors or walls will be reported. This is a report of the condition of the stall shower at the time of inspection only, and should not be confused as a guarantee. Although we make a visual examination, we do not deface or probe into window or door frames, decorative trim roof members, etc., in search of wood destroying pasts or organisms.

This company will reinspect repairs done by others within four months of the original inspection. A charge, if any, can be no greater than the original inspection fee for each reinspection. The reinspection must be done within ten (10) working days of request. The reinspection is a visual inspection and if inspection of concealed areas is desired, inspection of work in progress in necessary. Any guarantees must be received from parties performing repairs. The original inspection fee is \$65.00, which is waived if work is performed by this company. The cost of reinspection is \$65.00.

NOTE: We do not inspect or certify plumbing, plumbing fixtures, etc. Also, in cases where wood members are to be replaced, we cannot guarantee to match the size or shape in cases where custom material exists or older wood was larger when built. Because today's size lumber will be used an additional cost will be charged if requested to match existing lumber.

NOTE: "The exterior surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contract a roofing contractor who is licensed by the Contractor's State License Board." We do not inspect or certify roofs.

Note: All repair estimates on this report are to repair existing wood members as noted below. It is the responsibility of the homeowner or buyer to inform bugmasters if some existing structure being repaired is not built to city code or permitted. It is the property owners responsibility prior to approving any repair to check with the City Building Dept. to see if permits are required for the work estimated below. If permits are required, the property owner will need to pull permits as owner builder and notify Bugmasters, Any additional work required by the City and/or field inspectors

Note: Wood members that are missing or split, cracked, weathered, or broken by causes other than dry-rot or termite damaged are not included in this report or estimate. Areas where gutters must be removed to replaced damage, Bugmasters will not reinstall gutters or guarantee any reinstallation of gutters, homsowner to contact a gutter contractor to reinstall gutters. Also we do not readjust any TV satellites moved during work.

Hidden damage is possible any time evidence of subterranean termites, drywood termites, fungus (dry rot), beetles, faulty grade, earth to wood contect, dampwood termites, shower leaks or excessive molsture is noted on this report. It is also possible for hidden damage to be present in the interior of walls, under flooring, under roofing materials and other areas that are not readily accessible for inspection. This company will not be held responsible for any hidden damage.

Hidden damage found through chipping, scraping, preping prior to painting, especially through sand / water blasting, probing or tearing out of moldings, lumber, masonry, or finished work of any kind, or behind wallpaper or undemeath roofing materials, will not be the responsibility of Bugmasters.

CONDITIONAL GUARANTEE: Bugmasters guarantees all work performed by this company for one year, unless otherwise stated under any individual recommendation in this report or on a Bugmasters aummary letter signed by an authorized employee of Bugmasters. This company is not responsible for any future infestation, dry rot or adverse conditions beyond the time of inspection. If furnigation is performed, Bugmasters is not liable for any damage to shrubs, vines, trees, etc. or any damage to roofs or roof members at the time of Furnigation. In the event that a retreatment, re-furnigation or any other repair work is to be performed to honor a guarantee issued by Bugmasters; the home-owner is responsible to make the property available for any work to be performed. Bugmasters will not be liable for any cost of vacating or preparing the residence for re-treatment; and / or repairs. NOTE: A new and/or extension of guarantee is never given for re-treatments done under original guarantee

THIRD PAGE OF STANDARD INSPECTION REPORT OF THE PROPERTY LOCATED AT:

Address 277 Ogle St. Costa Mesa, CA 92627

07/20/2006

W28319

Date

Report #

NOTICE: BUGMASTERS does not warranty work performed by others, Such warranties should be obtained from those performing the repairs. Bugmasters only re-inspects the absence of infestation or infection in the visible and accessible areas on the completion date only. If it is found others have concealed or hidden infestations or infections during the course of their repairs, it will be the responsibility of the interested parties to pursue the parties who did the original work.

WHAT IS A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT? READ THIS DOCUMENT, IT EXPLAINS THE SCOPE AND LIMITATIONS OF A STRUCTURAL PEST CONTROL INSPECTION AND A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT.

MOLD POLICY STATEMENT: As per Structural Pest Control Board (May 2002) Molds, sometimes called mildew, are not wood-destroying organisms. Branch 3 Licensees do not have a duty under the SPCB Act and related regulations to classify molds as harmful to human health or

NOTE: SPECIFIC LIST OF AREAS WHICH HAVE NOT BEEN INSPECTED ON YOUR PROPERTY AS FOLLOWS,

This report regards the inspection of that part of the premises as identified on the drawing within this report. In accordance with the standard practice of pest control operators, certain structurel areas are considered inaccessible for purposes of inspection, including but are not limited to this structure in these specific areas: (1.) Furnished interiors (2.) Portions of affic concealed or made inaccessible by insulation and/or inadequate crawl space. (3.) The interior of hollow walls. (4.) Space between a floor or porch deck and the ceiling below. (5.) Stall showers over finished cellings. (6.) Areas concealed by built-in cabinet work. (7.) Hardwood floor beneath linoleum, carpet, or tile. (8.) Inside kitchen or bathroom cabinets where food or supplies are stored. (9.) Areas concealed by appliances, (10.) Interiors of enclosed boxed eves, (11.) All second story eaves, facia, rafters and roof sheathing (12.) All eves where access is impractical with out an extension ladder. (13.) Extenor eves and siding were access is limited due to zero lot lines, neighbors access, heavy plant growth or abutments. (14.) Fences and gates surrounding or attached to the

NOTICE TO OWNER

Under the California Mechanic's Lian Law any structural past control company which contracts to do work for you, any contractor, subcontractor, laborer, supplier or other person who help to improve your property, but is not paid for his work or supplies, has the right to enforce a claim against your property. This means that after a court hearing, your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your structural past control company in full if the sub-contractor, laborers, or suppliers

To preserve their right to file a claim of lien against your property, certain claimants such as subcontractors or material suppliers are required to provide you with a document entitled "Preliminary Notice". Prime contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid.

"NOTICE: The charge for service that this company subcontracts to another person or entity may include the company's charges for arranging and administering such services that are in addition to the direct costs associated with paying the subcontractor. You may accept Bugmasters's bid or you may contract directly with another registered company licensed to perform the work.

If you choose to contract directly with another registered company, Bugmasters will not in any way be responsible for any act or omission in the performance of work that you directly contract with another to perform.

"NOTICE: Reports on this structure prepared by various registered companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company,"

Local treatment is not intended to be an entire structure treatment method. If infestations of wood-destroying pests extend or exist beyond the area(s) of local treatment, the may not be exterminated.

NOTE: If the Home Owner fails to pay billing in full, Bugmasters will have the right to be paid back for all its costs and expenses to the extent not prohibited by applicable law. Those expenses include, for example (but not limited to), reasonable attorney's fees. If for any reason this account is to be turned over to our collection agency, You will be responsible for all cost of collecting. After 30 days a 1.5% interest per month will be

NOTE: If any additional damage or infestation is noted during the course of our work, in areas not visible at the time of the inspection, a supplemental report will be issued outlining any additional findings, recommendations, and costs.

This company does not certify of guarantee against any leakage, such as (but not limited to) plumbing, appliances, walls, doors, windows, any type of seepage, roof or deck coverings. This company renders no guarantes, whatsoever, against any infection, infestation or any other adverse condition which may exist in such areas or may become visibly evident in such area after this date. Upon request, further inspection of these areas would be performed at an additional charge once wood members are made available for visual inspection.

FOURTH PAGE OF STANDARD INSPECTION REPORT OF THE PROPERTY LOCATED AT:

Address 277 Ogle St, Costa Mesa, CA 92627

07/20/2006

W28319

Date

Report #

This is a separated report which is defined as Section I/Section II conditions evident on the date of the inspection. Section I contains items where there is visible evidence of active infestation, infection or conditions that have resulted in or from infestation of infection. Section II items are conditions deemed likely to lead to infestation or Infection but where no visible evidence of such was found. Further inspection items are defined as recommendations to Inspect area(s) which during the original inspection did not allow the inspector access to complete the inspection and cannot be defined as Section I or

FINDINGS AND RECOMMENDATIONS

Exterior:

Inspected accessible areas only, see entire report for terms and conditions.

11A PRICE: \$1,990.00

(Section I)

FINDINGS: Evidence of dry-wood termite infestations.

RECOMMENDATION: Vacate the premises and seal the structure for fumigation. Remove or cover accessible evidence of infestation. Furnigation warranteed for two years.

Fumigation awareness notice must be signed prior to furnigation. See furnigation notice for terms and

Fumigation NOTES:

Vikane gas requires the structure to be vacated for 48 hours (Two Nights)

PRICE: Unknown 11B

(Section I)

FINDINGS: Evidence of termite damaged wood members noted at time of inspection.

RECOMMENDATION: Contact proper tradesman to replace termite damaged wood members as required.

11C PRICE: Unknown

(Section I)

FINDINGS: Evidence of Dry-rot wood members noted at time of inspection.

RECOMMENDATION: Contact proper tradesman to replace all dry-rotted wood members as necessary. If additional adverse conditions are uncovered during repairs, further inspection by this company is recommended and a supplemental report will be issued indicating any infection and/or additional repairs.

11D PRICE: Unknown

(Section II)

FINDINGS: Earth-wood contacts noted at time of inspection.

RECOMMENDATION: Contact proper tradesman to break earth-wood contact where conditions are deemed likely to lead to infection or infestations. Note: Possible damage to wood members could be found under dirt. If so, a re-inspection should be ordered for further recommendations.

FIFTH PAGE OF STANDARD INSPECTION REPORT OF THE PROPERTY LOCATED AT:

Address 277 Ogle St, Costa Mesa, CA 92627

07/20/2006

W28319

Date

Report #

In accordance with the laws and regulation of the State of Californie, we are required to provide you with the following information prior to application of Pesticides to your property.

"State law requires that you be given the following information: CAUTION, PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Companies are registered and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the Californic Dept. of Pesticide Regulation and the United States Environmental Protection Agency. Registration is granted when the State finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized."

"If within 24 hours following application, you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or poison control center (800) 876-4766 and your pest control operator immediately." Effects of over exposure to these materials can include tremors and tonic and colonic convulsions.

For further information, contact any of the following:

Bugmasters	(714) 680-6777
Poison Control Center	(800) 876-4766
(Health Questions) County Health Dept. Orange County Los Angeles County San Bernardino County Riverside County Fresno County	(714) 834-7700 (213) 250-8055 (909) 387-6280 (909) 358-5000 (559) 445-3200
(Application Info.) County Agriculture Commission Orange County Los Angeles County San Bernardino County Riverside County Fresno County	(714) 447-7100 (625) 575-5485 (909) 387-2115 (961) 955-3000 (558) 456-7510
Structural Pest Control Board (Regulatory Info.) 1418 Howe Ave. Suite 18, Sacramento, Ca. 95825	(916) 561-8704

TERMITE AND FUNGUS CONTROL CHEMICALS

Vikane (EPA Reg. No. 464-232)

Active Ingredients: Vikane-sulfuryl floride 99.5%, Chloropicrin .5%

SIXTH PAGE OF STANDARD INSPECTION REPORT OF THE PROPERTY LOCATED AT:

dress 277 Ogle St, Costa Mesa	, CA 92627		07/20/2006	W28319
			Date	Report #
Findings and Recommends	tions titi			
Findings and Recommenda		by this Com	ipany:	
Approval Item Primery Estima 11A \$1,990.00	re			Section
<u> </u>				<u> </u>
Complete all of the above listed items.		 .		
Complete all items with Primary Estimate:	Total Estimate	\$1,990.00	Total \$	ove items chec
		¥ 13000.00	Total p	
Findings and Recommenda	tions NOT estima	atad bu illa	C	
Owner or Authorized Representative sh	aous not esum a all contract others for co	ated by this	Company;	
Items: 11B, 11C, 11D	an oblition directs to the	unbiennu át íd e s	se nems.	
				
have read and understand the terms of the ugmasters is hereby authorized to complete	Report referenced above			
ugmasters is hereby authorized to complete	the Itams selected above	and agree to the te and if is enter t	91778 and conditions set forth,	
		- io it io agreed t	nat payment stiall be made as f	ollows:
ayment shall be made as follows: 🔲 W	fith close of Escrow] \$	Deposit 🗌 🖫	on Completion
Escrow Number: Escro	w Company:	_		on Completion
Phone () Fax	:()	Address:	Escrow Officer:	
wher or Authorized Representative:	Owner □	Representation	n Tièle	
		nepresentative'	s Title:	
Print Name;	x		Date	
wner or Authorized Representative:				
and or Aumonzed Representative:	-			
		Representative's	\$ Title:	
Print Name:		Representative's	S Title:	

SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. □ Agent Print your name and address on the reverse 427 Addresse so that we can return the card to you. RECEIVED C. Date of Delivery Attach this card to the back of the mailpiece, CITY OF COSTA MESA 8-746 or on the front if space permits. D. Is delivery address different from item 1? ☐ Yes 1. Article Addressed to: If YES, enter delivery address below: OCT 26 2006 Service Type 7006 0100 0005 5144 3693 Certified Mall ☐ Express Mail Registered ☐ Return Receipt for Merchandise Sireel, Api, No.; or PO Box No. City, State, ZIP+4 ☐ Insured Mail □ C.O.D. Total Postage & Feet S. Ξ 4. Restricted Delivery? (Extra Fee) ☐ Yes Certified Fee 7006 0100 0005 5144 3693 Form 3811, February 2004 Domestic Return Receipt 102595-02-M-154 € NDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY Signature Complete items 1, 2, and 3. Also complete tem 4 if Restricted Delivery is desired. □ Agent Print your name and address on the reverse С √2 Addressee to that we can return the card to you. C. Date of Delivery Received by (Printed Name) Attach this card to the back of the mailpiece. JOHN MONEY. 716 r on the front if space permits. D. Is delivery address different from item 1? J. rticle Addressed to: If YES, enter delivery address below: Costa Meson Cq Service Type Certified Mail ☐ Express Mail Registered Return Receipt for Merchandise ☐ Insured Mail □ C.O.D. 92627 4. Restricted Delivery? (Extra Fee) ☐ Yes 7006 0100 0005 5144 3709 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540 U.S. Postal Service-U.S. Postal Service™ CERTIFIED MAILM RECEIPT CERTIFIED MAIL RECEIPT 370 耍 (Domestic Mail Only: No Insurance Coverage Provided) 354 (Domestic Mail Only; No Insurance Coverage Provided) information visit our website at www.usps.com 5 2 Postage Postage 0005 L) Certified Fee Certified Fee Postmark Postmark Return Receipt Fee (Endorsement Required) Return Receipt Fee (Endorsement Required) 070 8/23/06 Restricted Delivery Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) 8/23/06 Total Postage & Fees | \$ Total Postage & Fees 7005

Sent To

Street, Apt. No., or PO Box No.

City, State, ZIP+4

PS Form 3800, June 2002

Street, Apt. No.; or PO Box No. City, State, ZIP+ PS Form 3800, June 2002

Sent To

COMPLETE THIS SECTION ON DELIVERY



4740 Von Karman • Suite 100 • Newport Beach, CA 92660 • 949•930•7500 • Fax 949•930•7555

August 23, 2006

Tenants 277 Ogle Avenue, Unit A Costa Mesa, CA 92627

Dear Tenants:

We previously provided you notice of our intent to pursue a potential condo conversion of the property. The city has required that we provide you with an additional notice of such filing. The owner of this building at 277 Ogle, Costa Mesa, California, plans to file a tentative map with the city and county to convert this building to condominiums. You will be given notice for each hearing, for which notice is required, pursuant to Sections 66451.3 and 66452.5 of the Government Code and you will have the right to appear and the right to be heard at any such hearing.

We will provide you with additional notices and/or information as we receive it.

Sincerely.

Barry Saywitz

President

BS:cf



4740 Von Karman • Suite 100 • Newport Beach, CA 92660 • 949•930•7500 • Fax 949•930•7555

August 23, 2006

Tenants 277 Ogle Avenue, Unit B Costa Mesa, CA 92627

Dear Tenants:

We previously provided you notice of our intent to pursue a potential condo conversion of the property. The city has required that we provide you with an additional notice of such filing. The owner of this building at 277 Ogle, Costa Mesa, California, plans to file a tentative map with the city and county to convert this building to condominiums. You will be given notice for each hearing, for which notice is required, pursuant to Sections 66451.3 and 66452.5 of the Government Code and you will have the right to appear and the right to be heard at any such hearing.

We will provide you with additional notices and/or information as we receive it.

Sincerely.

Barry Saywitz President

BS:cf



4740 Von Karman • Suite 100 • Newport Beach, CA 92660 • 949•930•7500 • Fax 949•930•7555

August 23, 2006

Tenants 277 Ogle Avenue, Unit C Costa Mesa, CA 92627

Dear Tenants:

We previously provided you notice of our intent to pursue a potential condo conversion of the property. The city has required that we provide you with an additional notice of such filing. The owner of this building at 277 Ogle, Costa Mesa, California, plans to file a tentative map with the city and county to convert this building to condominiums. You will be given notice for each hearing, for which notice is required, pursuant to Sections 66451.3 and 66452.5 of the Government Code and you will have the right to appear and the right to be heard at any such hearing.

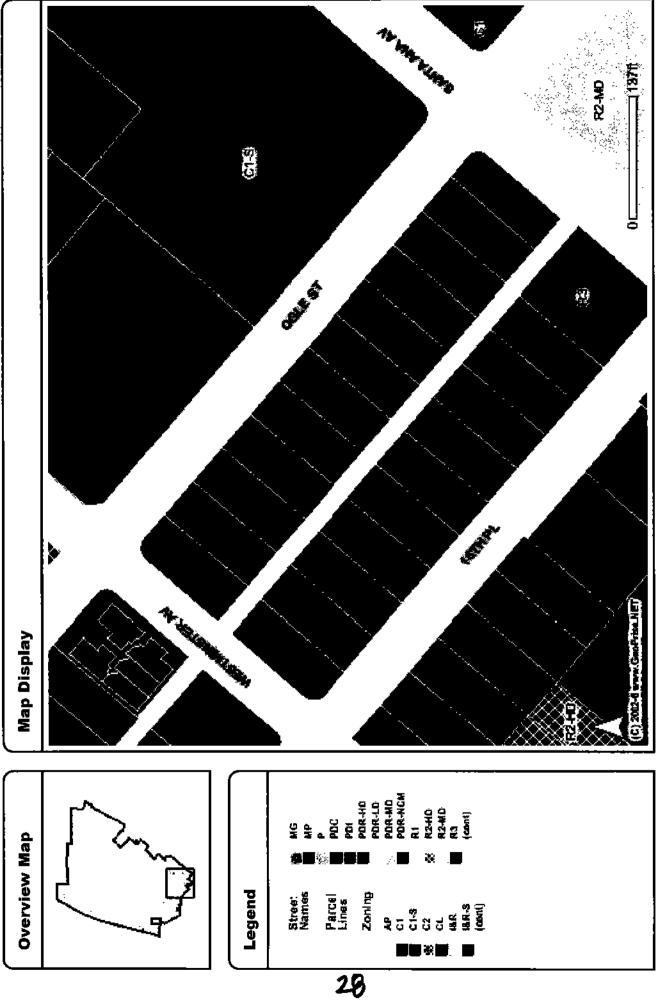
We will provide you with additional notices and/or information as we receive it.

Sincerely,

Barry Saywitz President

BS:cf

ZONING/LOCATION MAP - [Created: 11/28/2006 1:23:25 PM] [Scale: 137.23] [Page: 8.5 x 11 / Landscape] City of Costa Mesa

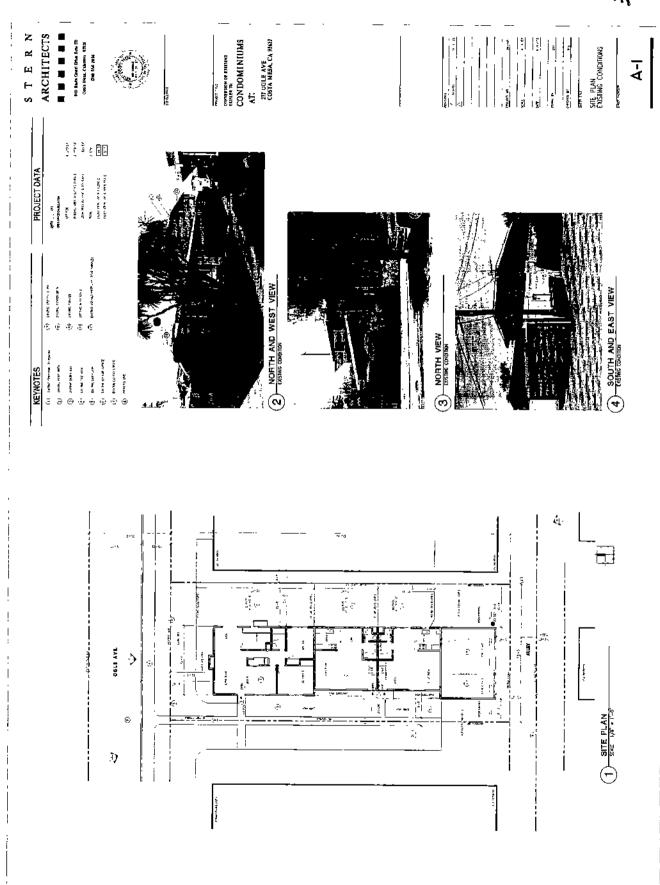


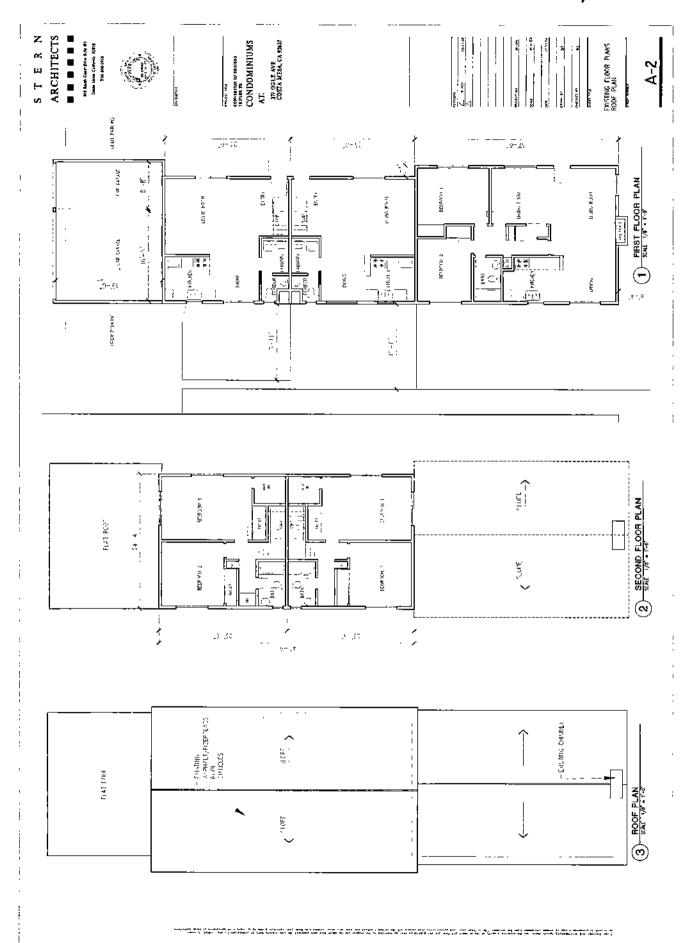
(C) 2002-6 GeoPrine.net (GeoVec, Inc.) - (886)422-2505

277 OGLE STREET - [Created: 11/28/2006 1:22:00 PM] [Scale: 75:06] [Page: 8.5 x 11 / Landscape] City of Costa Mesa

な事を **Map Display** Overview Map Address Large Legend Street Names Lave 11 Ortho Photo Parcel Lines

(C) 2002-6 GeoPrise.nst (GeoVec, Inc.) - (886)422-2505





TENTATIVE

PARCEL MAP NO. 2006-242

IN THE CITY OF COSTA MESA, COUNTY OF ORANGE STATE OF CALIFORNIA

FOR CONDOMINIUM PURPOSES

ASSESSOR'S PARCEL NUMBER: 425-222-07

AUGUST 2006

OWNER

BARRY SAYWITZ PROPERTIES ONE LLP C/O THE SAYWITZ COMPANY 4740 VON KARMEN, SUITE 100 NEWPORT BEACH, CA 92660

SUBDIMIDER

THE SAYWITZ COMPANY 4740 VON KARMEN, SUITE 100 MEMPORT BEACH, CA 92560

MAP PREPARER

WALDEN & ASSOCIATES
2552 WHITE RD., SUITE 8
EVENE, CA 92614
JEFFREY A. WALDEN, P.LS. 7914

LEGAL DESCRIPTION:

LOT 8 OF TRACT NO. 2999, IN THE CITY OF COSTA MESA. COUNTY OF CRANCE, STATL OF CALEFORNIA, AS SHOWN ON THE MAP FILED IN BOOK 116, PAGES 21 AND 22 OF MISCELLAMEDUS MAPS, RECURNIS OF THE COUNTY RECORDER OF SAID COUNTY.

AREA:

6,256 SQ. FT. = 0.14 ACRES

GENERAL NOTES:

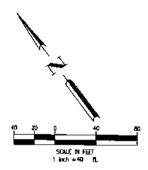
- EXISTING UAND USE: MULTI—FAMILY RESIDENTIAL
 PROPOSED LAND USE: MULTI—FAMILY RESIDENTIAL
 ADJACENT LAND USE; SINGLE AND MULTI—FAMILY RESIDENTIAL
- 4. EXISTING BUILDING TO REMAIN
- 5. EXISTING SEWER AND MATER CONNECTIONS TO REMAIN

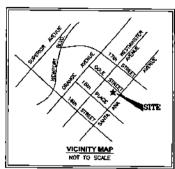
FLOOD ZONE:

THE PROPERTY SHOWN HEREON LIES WITHIN ZONE "X" AS SHOWN ON FLOOD INSURANCE RATE MAP NUMBER 06059020268H, REVISED FEBRUARY 18, 2004.

EASEMENT_NOTES:

- INDICATES AN EASEMENT FOR ELECTRICAL LINES IN FAVOR OF STATE OF CALIFORNIA DEVELOPMENT DEPARTMENT, A CORPORATION RECORDED JUNE 17, 1959 IN 8000K 4762, PAGE 131 OF OFFICIAL RECORDS.
- INDICATES AN EASIMENT FOR AFRIAL AND UNDERGROUND COMMUNICATION STRUCTURES, IN FAVOR OF THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY RECORDED JUNE 26, 959 IN BOOK 4776, PAGE 50 OF CRETCAL RECORDS.





LEGEND:

- Water Valve - Water Meter - Fire Hydrant - Back Flow Device

PN IRRIGATION CONTROL VALVE GAS METER
TELEPHONE PULL BOX
MANHOLE

STORM DRAIN INLET GRATE - LOT DRAINAGE PATTERN

- SIGN
- STREET LIGHT
- TRAFFIC PULL BOX
- PULL BOX PULL BOXE
ASPHALT CONCRETE
CONCRETE
FENCE
WALL
EXISTING GAS LIME
EXISTING TELEPHONE LIME
EXISTING TELEPHONE LIME
EXISTING WATER LIME
EXISTING WATER LIME
EXISTING WATER LIME
EXISTING ELECTRICAL LIME
EXISTING PLECTRICAL LIME
EXISTING PLECTRICAL LIME ASPH CONC

INDICATES PROJECT ROUNDARY

